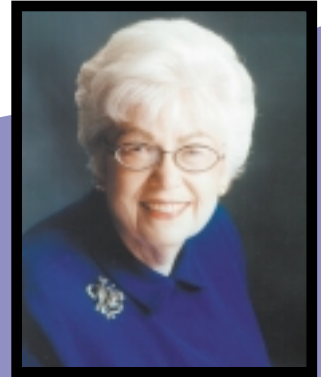


MARYANN'S *News and Outlook*

A NEWSLETTER FOR THE CITIZENS OF DETROIT



Home Rule: Who Should Control Detroit's Resources?

Why Detroiters Should Vote NO on August 6th

On July 17, the State Supreme Court ruled that the efforts of Governor Engler, the State Legislature and City officials to impose the election of Detroit Council Members by district was unconstitutional. The Court ruled that the fact that the statute applied only to Detroit was, "fatal to its status as a general act." This is a victory for citizens of the city of Detroit. But, there are very important reasons why Detroiters should continue to oppose any future efforts by the State Legislature to impose the election of Council Members by districts.

First and foremost, we must protect our right to local control. This district ballot initiative had been conceived by the Lansing legislature. Consider that Detroit has now suffered state take-overs of the Detroit Recorder's Court, the Lafayette Clinic, residency, and our right to elect our own school board members all with the encouragement of the John Engler administration. The state continues to pass legislation that either aims to, or in several instances, has actually taken away Detroiters' right to Home Rule. Along with the Land Banking Authority Bill, the district ballot initiative was a severe threat to Detroit Home Rule and the Detroit City Charter which can only be amended by the citizens of the city of Detroit.



Detroit's Checks and Balances Are
Literally At Stake

Also, the state should have followed the charter by collecting signatures in their districts in order to place the issue on the ballot. Shockingly, the district ballot initiative was sponsored by a few of Detroit's own representatives. Daniels, Lemmons, McConico, and Garza voted in favor of the initiative. Nine state representatives, Hardman, Waters, Thomas, Clark, Scott, Murphy, Young and Thomas voted against this take-over attempt. An overwhelming majority of Detroit state legislators and the citizenry do not support this Lansing assault on our city.

Twelve other municipalities in this state operate with at-large Councils. If the Governor and Lansing legislators thought that an at-large system was so undesirable, they would have included the eleven other Michigan cities that operate under an at-large system to the Mayor.

Another difficulty is that the media and others had irresponsibly reported that districts would result in improved city services. All city departments are



Home Rule *(continued)*

administered by and are solely responsible to the Mayor. City Council Members serve as liaisons and advocates between the citizenry, the departments and the Mayor.

Council can alter or change the budget, but the Mayor controls all spending practices. Changing the Council structure to Districts alone would not improve city services for Detroit Citizens. Only a Charter Amendment giving Council the power to direct city services and department spending could change the way services are actually delivered. Also, the district ballot initiative called for a 3-member district commission, with the Mayor appointing two representatives and Council appointing only one.

Two votes would have then determined the Council district boundary lines. In a city government already composed of a strong Executive Branch

of government, this would have given the Mayor supreme power over City of Detroit business and the will of the people. In other cities in which City Councils function under a ward or district system, the legislative branch draws the district lines and have some control over city departments. As Council President I am certainly not opposed to the right of citizens to vote on any given ballot question. However, I reject any plan that will give ultimate authority to any one individual. The Governor's spokesperson has stated that he will continue to look at ways to force the city of Detroit to adopt a Lansing inspired district plan. Now is the time for you, the citizen, to contact your state legislators and let them know that you want them to oppose any Lansing inspired changes to the Detroit City Council.

Land Banking Authority: Lansing's Alarming Interest in Detroit Land

The Michigan Land Bank Authority bill would create a mandatory land bank in the city of Detroit. A five-member board would control this "Authority" none of whom would be required to be residents of Detroit. This Authority would serve as the sole body responsible for the use and sale of land in the city of Detroit.

In other Michigan cities the creation of a land bank requires public hearings and a vote by the City Council of that city. As it stands now, the Detroit



Council can at least approve the sale of city property and authorize all development plans. In the state proposed plan, citizens would have no voice in what happens to property in their own neighborhoods. Sponsors of the legislation say their intent is to add property to the tax rolls

of Detroit. However, if that were true this legislation would not permit this "Authority" to hold property indefinitely without paying taxes on it. In fact, the city could experience a shortfall in revenue while it is forced to continue to service property held in a tax-exempt state by a land authority. This bill provides no direction or remedy for the city should we find ourselves in such a situation.

The Mayor would appoint all members of the board with the Governor's approval of one. Supporters of this legislation suggest that the cities of Cleveland and Atlanta are examples of the good that a Land Bank Authority can do. In Atlanta, Councilmembers serve along with the County Commissioner as chairs in alternate years. In both Cleveland and Atlanta, Land Bank Authorities provide jobs and housing to low/moderate income citizens. The State of Michigan bill does not, nor does it include provisions for jobs or contracting opportunities for low/moderate income people.

Also, in the Michigan version, there is no provision for payment plans for owners, including seniors, who have been ill. Worse, this bill does not provide for public hearings on sale of land or development proposals. This means that citizens will have no voice in what developments take place in their neighborhoods.

The Detroit City Council opposed the bill and offered amendments to the legislation including the aforementioned provisions when it appeared before a senate committee on June 18, 2002. The Senate voted to reconsider the bill on August 13th just days after the August 6th election.

Finally the Governor and the Mayor of the City

Land Banking *(continued)*

of Detroit are backing this bill. The Land Bank Authority Bill is a power grab by the state legislature and Governor Engler to strip Detroit citizens of local control. It will line the coffers of large development companies. The Michigan NAACP has conducted a thorough analysis of this bill, and has called

it "so far off that one has to question the legislation's genuine intent." In that light, the citizens of Detroit, the Detroit City Council and the Michigan NAACP are launching a campaign of opposition to still another of the Governor and the State Legislature's attacks on Detroit's Home Rule.

Council Approves City & CDBG Budgets

The Detroit City Council approved the city's General Fund budget for the 2002-2003 fiscal year earlier last month. We were faced with several challenges. We had to locate revenues to replace the \$55.3 million in casino revenues that the Mayor proposed, but City Council had not approved. We are also continually being faced with dwindling resources from national and state levels.

Given current economic realities and revenue cuts from both national and state levels of government, we have much less in the way of resources to work with. At the federal level, the trillion dollar stimulus package tax cuts which favor the richest one percent of Americans are expected to drain another \$15 billion over the next three years. The majority of our Detroit labor force has literally been excluded from gains that were produced through economic growth. The November elections will have a great impact on the priorities of Lansing and Washington lawmakers.

City Council opposed the Mayor's proposed break up of the Consumer affairs department and

the closing of the Belle Isle Zoo. We restored the Consumer Affairs Department and funded the continued operation of the zoo (Thus far, the Mayor has continued to keep the Belle Isle Zoo padlocked). We beefed up our housing inspections by adding an inspector to enforce the Rental Registration ordinance. We added money for emergency response units in the Fire Department, and we funded 207 community groups with Community Development Block Grant funds.

Everything in our city starts and ends with you, the residents, and your neighborhoods. Please keep us posted regarding how we can better serve you at budget time. We will continue to order abandoned, unsafe, and decrepit buildings demolished and will try to save the more habitable buildings for non-profits to repair to use for affordable housing. For a copy of the complete City Council 2002-2003 budget address, please call (313) 224-6364. The entire city budget can also be accessed at www.ci.detroit.mi.us

Council Fights For Detroiters

Casinos have been an issue in Detroit for years. First, there were ballot proposals for casinos, which were defeated on three occasions. In 1996, Detroiters finally said, "yes" to casino proposals. However, that "yes" came with certain promises from casinos and expectations from Detroiters, which included tax dollars for the City, jobs for Detroiters (including entry through executive level positions), spin-off development, and 75 million dollars targeted to Minority Business Development funds. There were certain protections and guarantees negotiated in the 1998 Minority Casino Development Agreements. Detroiters voted "yes" to casinos based upon the belief that those agreements would be fulfilled, and that their expectations were going to be met.

City Council has continued to fight to make sure those promises that Casino developers made to Detroiters were kept. The first **proposed** Permanent Casino Development Agreements presented by Mayor Kwame Kilpatrick drastically reduced, and even eliminated some very important benefits in the 1998 agreements. The Mayor insisted that he had negotiated the best deal possible. However, at the Detroit City Council's insistence that the casinos do more for Detroiters, Mayor Kilpatrick went back and renegotiated. While the latest agreements include 30 million dollars for the targeted business development fund, 10 million dollars from each casino and 10 million that will be contributed by the city, that agreement is 40 million dollars less

Council Fights for Detroiters (*continued*)

than the casinos originally agreed to. I am confident that the casinos can and should do more. Just as an example, monies are sorely needed for scholarships and housing for low and moderate income people.

In 1998 it was estimated that casinos would generate a 20 percent profit. To date, casino profits have been between 60 and 68 percent — at least triple the 1998 estimate. In spite of record profits, the new proposed Casino Development Agreements have reduced the number of hotel rooms being built, the number of full-time employees, and reduced the

business development fund for Detroit-based and minority businesses.

Once the Casino Development Agreements are passed, they will be in effect for thirty (30) years. Therefore, current and future generations will either be positively or negatively affected by these agreements for many years to come. It is my intent, as well as that of my colleagues, to ensure that Detroiters get the best deal possible from the casinos. If this city does not insist upon that *right now*, we will not have that opportunity again until the year 2032.

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